



Guide to Wisconsin's Venture Capital Marketplace

Venture Capital Companies

Venture capital companies are pools of capital managed by professional fund managers who invest in growth companies expected to earn a desired (usually more than 20%) rate of return and to achieve high (typically greater than \$50 million) annual sales goals. Venture capital firms obtain their money from a variety of sources, including foundations pension funds, corporations, and individual shareholders. Venture capitalists typically receive shares of stock for their investment, want a seat on the board of directors, and require an "exit strategy" (a way for their investment to become liquid—usually through merger, acquisition, or by the company becoming publicly traded on the stock market). As a prerequisite to venture capital, entrepreneurs should provide a written business plan that features a qualified management team--or plans for building one—and a growth strategy that can be executed profitably by this team. Entrepreneurs should qualify venture capital companies before contacting them. A venture capital firm generally invests in specific industry sectors, and has preferences for stage of business maturity and uses of investment proceeds. For example, some venture firms invest in established businesses that are expanding or bringing in new ownership, while others invest in rapid-growth start-ups. Furthermore, each venture capital firm has a fund size (capitalization) that determines minimum and maximum investments it tends to make in each portfolio company.

Venture Capital Companies in Wisconsin

Baird Venture Partners & Baird Capital Partners www.rwbaird.com

Milwaukee Office:

777 E. Wisconsin Avenue, 28th Floor

Milwaukee, WI 53202

888-761-9641

414-765-3500

414-298-7490 (Fax)

Madison Office:

510 Charmany Drive, Suite 172

Madison, WI 53719

608-441-2900

608-441-2901 (Fax)

Contact: Tim Mathison, Vice President

Tmathison@rwbaird.com

Capital Investments, Inc. www.capitalinvestmentsinc.com

e-mail: info@capitalinvestmentsinc.com

Mailing Address: Capital Investments, Inc.

1009 W. Glen Oaks Lane, Suite 103

Mequon, WI 53092

Ph: 262-241-0303 Fx: 262-241-8451

Cedar Creek Partners www.cedarllc.com

111 East Kilbourn Avenue, Suite 1600

Milwaukee, WI 53202

Tel: (414) 272-5500

Fax: (414) 272-1029

Robert L. Cook, Jr. (414) 272-5505 cook@cedarllc.com

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Becky M. Diedrich (414) 272-5508 diedrich@cedarllc.com

Ben Kebbekus (414) 272-5513 kebbekus@cedarllc.com

Facilitator Capital Fund www.facilitatorfunds.com

Madison Office

5133 West Terrace Drive, Suite 204

Madison, Wisconsin 53718

Toll-Free 877-245-3716

Fax: 608-227-2901

Milwaukee Office

777 East Wisconsin Avenue, Suite 1908

Milwaukee, Wisconsin 53202

Toll-Free 877-245-3716 Fx: 414-276-9520

Gus Taylor, Senior Managing Director (414) 276-9120 taylor@facilitatorfunds.com

Scott Roeper, Managing Director (414) 276-8331 roeper@facilitatorfunds.com

Paul Raab, Managing Director (608) 227-2919 raab@facilitatorfunds.com

Dave Bauer, Principal & CFO (608) 227-2915 bauer@facilitatorfunds.com

Ralph "J.J." Vosskamp, Principal (608) 227-2909 vosskamp@facilitatorfunds.com

Frazier Technology Ventures www.fraziertechnology.com

Madison Office

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Madison, WI 53703

Peter Zaballos, Vice President, Midwest

Ph: 608-259-9094 peter@fraziertechnology.com

Lubar & Co.

700 N. Water Street

Milwaukee, WI 53202

Contact: David Lubar

Ph: 414-291-9000 Fx: 414-291-9061

Mason Wells, Inc. www.masonwells.com

Mason Wells

770 North Water Street

Milwaukee, WI 53202

Ph: 414-765-7800 Fx: 414-765-7850

Contact for Buy-out Team

John Byrnes, Managing Director

Ph: 414-765-7620 Fx: 414-765-7850 Jbyrnes@masonwells.com

Contact for bioscience and medical devices:

Dan Broderick, Managing Director

Ph: 414-765-7830 Fx: 414-765-7850 Dbroderick@masonwells.com

Contact for health systems, info technology and bioinformatics:

Trevor D'Souza, Managing Director

Ph: 414-765-7907 Fx: 414-765-7850 TDSouza@masonwells.com

Prism Capital/Prism Opportunity Fund www.prismfund.com

Chicago Office

444 North Michigan Avenue, Suite 1910

Chicago, IL 60611

Ph: 312.464.7900 Fx: 312.464.7915

info@prismfund.com

Milwaukee Office Contact

Ted Feierstein, ted@prismfund.com

Venture Investors Management www.ventureinvestors.com

University Research Park

505 S Rosa Road Suite 100

Madison, WI 53719

Ph: (608) 441-2700 Fx: (608) 441-2727

To submit a business plan:

Health Care related opportunity:

vihc@ventureinvestors.com

Information Technology related opportunity:

viit@ventureinvestors.com

For General Inquiries:

venture@ventureinvestors.com

Virgin Ventures Fund SBIC www.virginventuresfund.com

In partnership with Community Bankers of Wisconsin

Wisconsin Office:

1330 West Town Square Rd.

Mequon, WI

Ph: 262-241-5497

Information contact

Daryll Lund, President/CEO, Community Bankers of WI

Ph: 608-833-4229 Fx: 608-833-8114

Daryl@communitybankers.org

Certified Capital Companies (Capcos)

Capcos are capital companies certified by the Wisconsin Department of Commerce to make investments in small growth businesses. Capco financing decisions are made by the fund manager, and can take the form of equity investment, convertible debt, or long-term unsecured debt. Companies eligible for investment must be unable to obtain conventional bank financing and be headquartered in Wisconsin. They also must have no more than 100 employees, at least 75% of whom are employed in Wisconsin; an average annual net income, after federal income taxes and excluding carryover losses, of not more than \$2 million during the 2 most recent fiscal years; and a net worth not in excess of \$5 million. Real estate development activities and certain professional services firms are not qualified for Capco investment. One-time legislation authorized an aggregate pool of \$50 million for the Capco program. Each of the three Capcos is certified (capitalized) at \$16,666,667.

Advantage Capital Wisconsin Partners I, Limited Partnership

Managed by:

Venture Investors Management LLC www.ventureinvestors.com
505 South Rosa Road
Madison, WI 53719
Phone: (608) 441-2700 Fx: (608) 441-2727

Banc One Stonehenge Capital Fund Wisconsin, LLC

Managed by:

Wisconsin Growth Fund, LLC
115 South 84th Street, Suite 325
Milwaukee, WI 53214
Contact: W. Kent Velde, Managing Director 414-906-1702 Kvelde@att.net

Wilshire Investors, LLC

1511 West Market Street
Mequon, WI 53092
Contact: Charles Kearns, Managing Member 262-241-5497 Wilshire@premiergroup.org

Investment Banking

Investment banks provide a variety of capital-related services, including assistance with private placements, public stock offerings, finding private capital, selling a company, and merger and acquisition activity.

R.W. Baird & Co. www.rwbaird.com

777 East Wisconsin Avenue
P.O. Box 0672
Milwaukee, WI 53201-0672
Ph: 1-800-RWBAIRD

Frederick & Company, Inc.

1234 E. Juneau Ave.
Milwaukee, WI 53202
Contact: Lon Frederick, President LF@investfrederick.com
Ph: 414-271-1500 Fx: 414-271-1506

Grace Matthews www.gracematthews.com

219 North Milwaukee Street, 7th Floor
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The Wisconsin Department of Commerce, Bureau of Entrepreneurship compiles this guide. It contains information known at time of publication (9/30/03) and deemed appropriate to the category. To list your organization or to update your listing, please contact Cheryl Gain, Technology Development Consultant, at 608-261-7721 or cgain@commerce.state.wi.us. The Department of Commerce retains editorial control over listings.